

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

RONALD G. BROWN, in his capacity as
Chapter 7 Trustee in U.S. Bankruptcy Court,
for and on behalf of RENE GUTIERREZ,

Plaintiff,

v.

AMICA MUTUAL INSURANCE
COMPANY, a foreign insurer doing business
in Washington,

Defendant.

CASE NO. 2:23-cv-00118-JHC

ORDER

This matter comes before the Court *sua sponte*.

Defendant's Notice of Removal (Dkt. # 1) asserts that the Court has subject matter jurisdiction over this matter because there is complete diversity between the parties and the amount in controversy exceeds \$75,000.00. Dkt. # 1 at 2-4. Defendant claims that Plaintiff's demand alleged \$19,445.23 in past medical damages, \$15,000.00 for monitoring his condition, and \$10,000.00 for follow-up visits to the doctor. *Id.* at 3. Defendant argues that these estimates, combined with the future costs of treatment, noneconomic damages, loss of income, prejudgment interest on all liquidated damages, and attorney fees demanded by Plaintiff, amount

1 to over \$75,000.00. *Id.* Defendant also claims that at various points in time, Plaintiff has
 2 demanded the full policy limit of \$300,000.00. *Id.* at 4.

3 Federal district courts are “courts of limited jurisdiction,” possessing “only that power
 4 authorized by Constitution and statute.” *Exxon Mobil Corp. v. Allapattah Servs., Inc.*, 545 U.S.
 5 546, 552 (2005). If a federal court determines that it lacks subject matter jurisdiction at any time
 6 during a dispute, the court must dismiss the action. *See* Fed. R. Civ. P. 12(h)(3); *Rosales v.*
 7 *United States*, 824 F.2d 799, 803 n.4 (9th Cir. 1987); *Arbaugh v. Y&H Corp.*, 546 U.S. 500, 502
 8 (2006). The party invoking jurisdiction must allege facts that establish the court’s subject matter
 9 jurisdiction. *Lujan v. Defs. of Wildlife*, 504 U.S. 555, 560–61 (1992).

10 District courts have jurisdiction in civil actions where there is complete diversity of
 11 citizenship among the parties and the amount in controversy exceeds \$75,000, exclusive of
 12 interest and costs. *See* 28 U.S.C. § 1332(a). Generally, the amount in controversy is determined
 13 from the face of the pleadings. *See Pachinger v. MGM Grand Hotel–Las Vegas, Inc.*, 802 F.2d
 14 362, 363 (9th Cir.1986). The sum claimed by the plaintiff controls so long as the claim is made
 15 in good faith. *St. Paul Mercury Indem. Co. v. Red Cab Co.*, 303 U.S. 283, 288 (1938). Any
 16 doubts about removability are resolved in favor of remanding the case to state court. *Shamrock*
 17 *Oil & Gas Corp. v. Sheets*, 313 U.S. 100, 108-09 (1941); *Gaus v. Miles, Inc.*, 980 F.2d 564, 566
 18 (9th Cir. 1992).¹

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 20 ¹ In diversity cases, where the amount in controversy is in doubt, the Supreme Court has drawn a
 21 sharp distinction between original jurisdiction and removal jurisdiction:

22 [I]n cases brought in the federal court ... [i]t must appear to a legal certainty that the
 23 [plaintiff’s] claim is really for less than the jurisdictional amount to justify dismissal ... A
 24 different situation is presented in the case of a suit instituted in a state court and thence
 removed. There is a strong presumption that the plaintiff has not claimed a large amount
 in order to confer jurisdiction on a federal court or that the parties have colluded to that
 end.

1 The Court finds that Defendant's Notice of Removal, where they cite Plaintiff's estimates
2 of approximately \$45,000.00 in medical treatment costs and subsequently state "we feel as
3 though Plaintiff is demanding much higher than \$75,000.00 in damages," does not suffice to
4 resolve all doubts about removability. Accordingly, the Court ORDERS the parties to show
5 cause as to whether the Court should remand this case to state court. The parties must file
6 responses within fourteen (14) days of the date of this order.

7 Dated this 3rd day of February, 2023.

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10 John H. Chun
11 United States District Judge
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St. Paul Mercury Indem. Co., 303 U.S. at 288–290. Plaintiff has brought this suit in state court and Defendant has removed the action to federal court; therefore, the second standard controls.